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Northwestern Mutual Life Insurance Company

Addresses at the dedication of the home...

[Milwaukee]

[1914]

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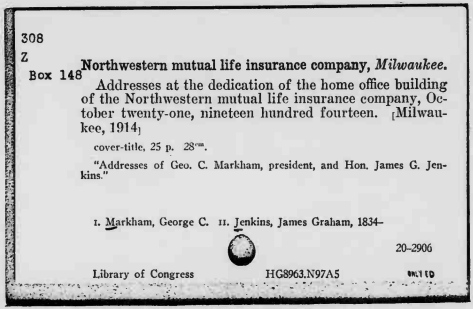

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Box 148 **Northwestern mutual life insurance company, *Milwaukee.***
Addresses at the dedication of the home office building of the Northwestern mutual life insurance company, October twenty-one, nineteen hundred fourteen. [Milwaukee, 1914]
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ADDRESSES

AT THE

DEDICATION OF THE HOME OFFICE BUILDING
OF THE NORTHWESTERN MUTUAL
LIFE INSURANCE COMPANY

OCTOBER TWENTY-ONE
NINETEEN HUNDRED
FOURTEEN

Addresses of

GEO. C. MARKHAM, President
and HON. JAMES G. JENKINS

Address of Geo. C. Markham, President

WE are assembled here for the purpose of formally dedicating this magnificent building to the uses for which it is intended, and turning it over to its real owners, the policyholders of the Northwestern Mutual Life Insurance Company, now numbering about three hundred and sixty-five thousand.

I will not attempt to go very far into a detailed history of this Company but I may be pardoned for calling your attention to some, at least, of the more salient and prominent features of the business. Suffice it to say that this Company was organized under a special charter granted by the legislature of Wisconsin in 1857. Under the terms of that charter it was not in position to solicit business until late in November 1858. The Home Office of the Company was then located in the city of Janesville, Wisconsin.

The Company was organized as a mutual company which means that there never was any capital stock or stockholders. The Company began business as a mutual company and has continued to do business upon that plan from its inception until the present time, and will continue to do business on that plan.

The Home Office of the Company was changed from Janesville to Milwaukee in 1859. At that time there were only a hundred and thirty-seven policies outstanding and the assets of the Company were exactly $9,335.

I believe that there is not a person living who was officially connected with the Company at its organization. I know that the organizers of this Company were intelligent, able men.

From 1858 to 1869 there were several changes in the office force and management of the Company. I will not here take up your time in mentioning their names and the positions they held with the Company.

The records show that in the early part of 1869, upon the death of Mr. Lester Sexton, who was then President of the Company, Mr. John H. Van Dyke, father of our present Vice President, was elected President of the Company and continued in that office until 1874. It was during Mr. Van Dyke's incumbency as President that the Company had its first onward

and upward movement. Even at this early period the Company was well and favorably known in many of the states of the Union. At the time Mr. Van Dyke was elected President of the Company the insurance in force was about $60,000,000, and the assets less than $7,000,000.

Upon the retirement of Mr. Van Dyke the late Judge Henry L. Palmer, my immediate predecessor, was elected President of the Company and held that position for more than thirty-four years. Judge Palmer was one of the ablest lawyers practicing in the West, a man of great executive ability, absolutely honest and fearless in the discharge of his duties. In short, no man of my acquaintance was possessed of better ability than President Palmer, and that ability was always applied so as to produce the greatest good to those who had entrusted him with the great responsibilities he assumed and faithfully discharged as Counsel of the Company, member of the Board of Trustees, member of the Executive and Finance Committees and as President of the Company, with signal success for half a century. What he left with us and for us as members of this Company, is the result of his long years of intelligent and faithful service, a service that was most valuable to this Company and to every policyholder in it.

At the time Judge Palmer assumed the duties of President of this Company in 1874, the insurance in force was a little over $65,000,000, and the assets of the Company at that time were a trifle over $15,500,000. In 1908 President Palmer resigned and at that time the insurance in force was about $945,000,000, and the assets about $249,000,000.

During President Palmer's incumbency of the office he was ably supported by many able men; notably among others was Willard Merrill who was regarded and who was in fact one of the ablest insurance men in the country. Under Mr. Merrill's guidance one of the most systematic and efficient agency forces was inaugurated and maintained. This was a task that required not only great judgment in the selection of agents, but it required a good degree of diplomacy in order to meet the different ideas and suggestions of the agency force, but these were all met in a masterly way and Mr. Merrill not only endeared himself to his brother officers, but he was held in the highest esteem and regard, I may say, by every agent of this Company, numbering more than three thousand men at the time of his death.

The agents of the Company at the present time number nearly or quite four thousand men and constitute one of the principal assets of the Company. I cannot now take your time or attention to mention the many things or duties that are performed, other than the procuring of insurance and collection of premiums, by our General Agents. Suffice it to say, that they are able men and are devoted and loyal to the interests of the Company.

The Company experienced during its first years the usual trials and tribulations and disappointments of a new insurance company. The life insurance business at that time, and for some years afterwards, was not at all popular. But the Company made steady gains each year from that time until the present; in short, the assets of the Company on October 1, 1914, were $323,935,673.91, and the insurance in force $1,343,818,875.

Since its organization the Company has paid in death claims	$171,989,170.25
and to living policyholders for matured endowments, surrendered policies, and sums returned for over-payment of premiums	293,121,842.01
making a total payment to policyholders of	$465,111,012.26
add to this the present admitted assets of the Company	323,935,673.91
and you have a total amount paid to policyholders or held for them of	$789,046,686.17
total amount of premiums received	702,710,255.80
excess of assets and payments to policyholders over premium receipts	$ 86,336,430.37

Of over seven hundred millions in premiums collected since organization, over five hundred and eighty-four millions were

collected by the agents of the Company within the past twenty years and paid into the treasury without the loss of a single dollar.

The assets of this Company are invested principally in three kinds of securities. We have invested upon real estate security, evidenced by notes and mortgages upon such securities, the amount of $178,974,500. The book value of our bond holdings which include railroad, state, county and municipal bonds, amounts to $85,728,251. We have now in force policy loans to a portion of the members of the Company amounting to nearly $52,000,000. The total amount that has been loaned upon bond and mortgage, or note and mortgage securities from the organization of the Company to the present time amounts to about $498,000,000. The interest and principal upon all this security has been, as a rule, very promptly paid. The only real estate this Company now owns, acquired upon foreclosure proceedings, amounts to about $197,000. I think we may safely assert that this Company is possessed, all things considered, of the safest and best assets evidenced by its securities of any insurance company doing business in the United States.

The Company has on many occasions been subjected to careful and rigid examinations by Insurance Departments of this and other states, as to its management, its assets, its liabilities, and never in a single instance, in any of such examinations has there been found any dereliction of duty or misappropriation of a dollar of the funds of the Company.

Among other examinations this Company has undergone, was one made by a committee of legislators appointed by the legislature of the state of Wisconsin during its session of 1905. That examination was made at a time when many insurance companies, especially in the East, were undergoing very severe examinations and criticisms. The Wisconsin legislative committee was in session for several months and it employed expert accountants, actuaries, legal talent, and other machinery to aid them in their searching investigation, and this was at a time when the minds of the public were in a condition to expect that misconduct was likely to be found in any business

conducted under corporate existence. At the end of such examination that committee was compelled to admit that not a single thing could be found upon which any just criticism could be based. And whether or not it was the intention of the Wisconsin legislature to render a benefit to this Company by such investigation, the facts are that the Company was greatly benefited because that committee was unable to find anything in regard to the management to criticise.

About two years ago the Insurance Departments of the States of Wisconsin and Illinois again made a very thorough examination of this Company and that examination occupied several months. It was conducted intelligently and was in all respects just and fair to the Company and at the end of that examination the Commissioners made a full and complete report, at the conclusion of which report they stated:

> "We find that the affairs of the company are honestly managed for the benefit of the policyholders, that the administrative work of the officials and the executive and finance committees is thoroughly done, and that the different departments are in the hands of efficient employes.
>
> "We are greatly indebted to the officials for their courtesy in furnishing us with original records and with suitable quarters and surroundings during our long stay in making this examination."

Life insurance in these past years has grown into one of the most important businesses of the country, and the obligations of insurance companies now amount to many billions of dollars. There is no other business that so many different people are interested in and benefited by as those who are insured in this or some other reliable company.

It is right and proper that this large business should be carefully guarded by the enactment and enforcement of proper laws and regulations. This does not mean, however, that in order to protect the interests of policyholders it is necessary to pass a great many laws that simply entail labor and expense, without resulting in any material benefit to the policy-

holders. Nevertheless, I believe that the interests of all policyholders should be safe-guarded by all necessary and proper laws and regulations.

There are many good reliable insurance companies doing business in the United States. I think I may say, on behalf of this Company, that it can properly claim that so far as stability, management and reputation are concerned, it compares favorably with any of them. Go where you will within the boundaries of the United States and you will find that the Northwestern is well and favorably known, and is regarded generally very highly by the insuring public.

The Company has been compelled from time to time since its organization to move into more commodious quarters in order to transact its business with facility and economy.

At the January meeting in 1910, I called the attention of the Board of Trustees to the fact that the Company had outgrown its quarters and suggested that it was greatly embarrassed in the transaction of its business for lack of room and it seemed imperative that the Company purchase another and larger site and build a larger and more commodious building.

At the April meeting, I again brought the subject up and after considering the matter a resolution was passed by the Board appointing a committee to select a site and procure sketches and plans of a proposed new building and report the result of their labors at some future meeting of the Board.

A committee consisting of Messrs. George H. Benzenberg, L. J. Petit, W. D. Van Dyke, George H. Noyes and myself was appointed and after a very thorough examination of several locations, selected the present site and reported the fact to the full Board, whereupon the Board authorized the committee to purchase it. At the same time the Board appointed the same committee as a Building Committee and authorized it to select architects who were to submit plans and specifications for a new building.

After some months of examination and consideration of the plans submitted by several firms of prominent architects, the Building Committee selected the firm of Marshall & Fox, Architects, of Chicago, who submitted the plan of the present

building, and contracts were entered into with different builders looking to the erection of the building, the cornerstone of which was laid July 17, 1912.

The erection of the building has been slow but in the supervision of the construction the Company has had the benefit of not only the architects, but of Mr. George H. Benzenberg of this city, a member of the Committee, who has for nearly three years devoted his entire time and attention to the erection of this building as its construction progressed. Mr. Benzenberg's services have been invaluable, not only to the other members of the Committee, but to the Company as well.

There are very many other facts and circumstances connected with the history of this Company that I might enlarge upon, but that would be occupying more of your time than I am entitled to and I must refrain from doing so if for no other reason than that the growth and reputation of this Company will be considered by one who has had for more than half a century intimate knowledge not only of the Company, but of the men who have made it what it is and what it stands for—a gentleman who for many years practiced law at the bar of Wisconsin and stood in the front rank of his profession with the ablest lawyers of the country, and who for many years occupied the position of one of the Judges of the United States Circuit Court of Appeals for the Seventh Judicial Circuit, and was for many years the presiding Judge of that Court, and who was always and well known both at the bar and upon the bench, to be a profound and brilliant lawyer and an able and fearless Judge.

I am sure that you will all be greatly interested in listening to him, and now ladies and gentlemen, it gives me great pleasure to be able to present to you the Honorable James G. Jenkins who will address you.

Address of Hon. James G. Jenkins

IT was an ancient custom to accompany the laying of the corner stone of a public building with appropriate exercises, emphasizing and extolling the purposes for which the edifice was to be constructed; and, upon the completion of the building, to dedicate it to the public use with like ceremony.

The custom was a wholesome one, for it tended to cultivate civic pride and to encourage the love of architectural art. The grand cathedrals of Europe, the beautiful Hotels de Ville of its cities, and the graceful monuments of art preserved by nearly all the larger towns of Europe, testify to the usefulness of the custom and to the benefit derived from its exercise.

It is unfortunate that at the present time the custom has largely fallen into disuse. The commercialism of the time would seem to regard the custom "more honored in the breach than in the observance." Croesus has become our supreme deity, manifested to the senses in the worship of the Almighty Dollar. No other religion can boast of so numerous, so persistent a band of devotees. The incense of its adoration ascendeth with morning and evening sacrifice and pervades all life, filling every breast with longing desire, and with exclusive zeal, dulling emotions once accounted generous and noble, and wrecking health, happiness and hope in the pursuit of the favor of our golden Juggernaut.

And therefore it is that the architect of to-day is restricted in the development of the beautiful in art. He can no longer indulge his genius for ornamental beauty or grace of design, but is compelled by the necessities or the greed of his employer to design a building without respect to beauty or to art; one that may be erected at the least possible cost, and that will give the largest number of square feet of rental space upon a given surface and in a given building.

It is well therefore that we revert occasionally to the olden custom, and meet, as we are met to-day, to formally dedicate to use this beautiful edifice, which is impressed with a public use, and is an instrument of a great benefaction; the construction of which was not for the purpose of realizing rentals, and with respect to which the architect was happily at liberty to invoke the beautiful in art, and to so construct it that the

most of convenience and comfort may be insured, both with respect to the dispatch of business and to the health and comfort of its occupants. And so, we have to-day the most beautiful building that the city of Milwaukee has ever seen, its finest specimen of architectural art, a marvel of grace and dignity, its best example of convenience and comfort. It stands out as a beacon light in the night of the commonplace, greeting the approach of the city from the lake, a monument of architectural beauty, impressing upon the mind of the beholder a never failing recollection of elegance, of grandeur and of usefulness, "a thing of beauty and a joy forever."

The building was erected by the Northwestern Life Insurance Company solely for its home offices, at a cost of over two million dollars. It is situated upon the block bounded by Wisconsin, Van Buren, Mason and Cass streets, the present structure occupying the southerly half of the block, and is to be extended over the whole block when the business needs of the Company require it. The building was designed by Messrs. Marshall & Fox, Chicago architects, and is of the Corinthian development of the Greek style of architecture. It is needless to praise the architects in mere words; their work is an abiding and speaking monument to their genius. The construction was done under the immediate superintendence of Mr. George H. Benzenberg, and the building testifies to the faithfulness of his service. On July 31, 1911, the first ground in excavation was turned. On June 16, 1912, the first steel frame was erected. On July 17, 1912, the corner stone was laid, and in October, 1914, the building was occupied by the Company. So that, despite shifting sand banks, despite delays in delivery of material, despite occasional strikes arising from disputes between different labor unions, and not from any complaints against the Company or its contractors, in substantially three years we have this completed and beautiful structure. It takes Europe three or four hundred years to construct a grand cathedral—but not so long to destroy it.

This is the sixth home of the Company in the city of Milwaukee. In March, 1859, upon the removal of the Company's headquarters from Janesville to Milwaukee, the Company had

its office in a small building on the southwest corner of Wisconsin and Main street (now Broadway), the site of the present Railway Exchange Building. Thence, in 1862, it removed to the ground floor of the Iron Block on the southeast corner of East Water and Wisconsin streets. In 1865 it purchased and moved into the store No. 416 Main Street (now Broadway), on the east side of the street and north of Wisconsin Street. In 1870, it moved into its first office building erected by and for it, on the northwest corner of Broadway and Wisconsin street, now known as the "Old Insurance Building" or the "Free Press Building." In 1886, it removed to the building constructed by it on the site of the ill-fated Newhall House, on the northwest corner of Broadway and Michigan street, which it occupied until its removal to the present structure, during this month of October, 1914. Each home has been larger and more palatial than its predecessor, a mile-stone in the march of the Company to success in its great and charitable work—and the end is not yet.

It is pertinent to the occasion to briefly recount the work of the Company and of the men who founded, and of the men who have controlled it, and to whom the credit of its success is largely due. Time and space would fail to do justice to all these men or to their work, but mention of some of the more prominent of them, and of that which has been accomplished, seems desirable.

The Northwestern Mutual Life Insurance Company was chartered by special act of the legislature of Wisconsin in 1857, under the corporate name of "The Mutual Life Insurance Company of the State of Wisconsin," and its head offices were located in the city of Janesville. Among its charter members who then were, or thereafter became, prominent in the history of the State, were Judge, afterward Senator James R. Doolittle, Gov. Leonard J. Farwell, Senator Matthew Hale Carpenter, Judge David S. Noggle, Hoel H. Camp, cashier, and afterwards president of the Farmers & Millers Bank, and its successor, the First National Bank of Milwaukee, James B. Martin, a prominent banker, Anson Eldred, a prominent lumberman and business man, and Hercules L. Dousman, of Prairie du Chien,

a pioneer, and a representative of the Astors in an early day. Since then many prominent gentlemen of Milwaukee have been trustees of the Company, among them Edward P. Allis, David Ferguson, "Deacon" Edwin Hyde, Luther S. Dixon, Chief Justice of the Supreme Court of Wisconsin, Judge Charles E. Dyer, United States District Judge, David G. Hooker, John Johnston, Matthew Keenan, Sherburne S. Merrill, William P. MacLaren, B. K. Miller, Alexander Mitchell, Emory McClintock, the noted actuary, George W. Mitchell, C. D. Nash, who for thirty years was its treasurer, John Plankinton, Angus Smith, Emil Schandein, Charles G. Stark, Dr. E. B. Wolcott and Peter Van Vechten. A list of those from without the city of Milwaukee is also notable for the prominence of those engaged in building up this great corporation, and includes David J. Brewer, Associate Justice of the Supreme Court of the United States, Benjamin R. Cowen of Ohio, Assistant Secretary of the Interior, John F. Dillon of Iowa, United States Circuit Judge, H. H. Sibley of Minnesota, formerly governor of that state, Jesse Spalding of Chicago, Collector of Customs, and the Hon. Carl Schurz, once a resident of Milwaukee, and afterwards United States Senator from Missouri.

I would like to recall some of the officers of the Company. Its first president was Mr. S. S. Daggett, who served the Company in its infancy and until 1869, when he was succeeded by Mr. Lester Sexton, a prominent wholesale merchant, who died two months after his election, and was succeeded by Mr. John H. Van Dyke, a prominent lawyer and business man, who served until 1874, when he was succeeded by Mr. Henry L. Palmer, who served as such president until 1908, when he retired and was elected chairman of the Executive Committee, and served to the date of his death, May 6, 1909. In various capacities he served this Company for a period of fifty-one years four months and nineteen days, and as president thirty-five years. He was a man of great ability, cool, quiet, deliberate, not quick to come to a conclusion, but when that conclusion was reached, firm and inflexible—a man of fine judgment and of persistent energy, a man of iron, whom no difficulty could overcome and no labor could appal. To his wonderful

ability and capacity for labor and organization was in large measure due the success of the Company. In 1908, Mr. George C. Markham, the present chief officer of the Company was elected, in succession to Henry L. Palmer. He took office under great disadvantage. *Stat magni nominis umbra.* His work must stand in immediate contrast with the work of his great predecessor. It is not too much to say that he has, nevertheless, proven himself equal to his task, and for six years has safely guided this Company through all perils and advanced it in its successful course. May he for many years continue in the field of his laborious work, and aid the Company in its prosperous life.

There are others of whom some special mention should be made. Mr. Matthew Keenan, a pioneer of Milwaukee, was vice-president and superintendent of agencies for many years, serving there, as in all other relations in life, faithfully and well. Mr. Willard Merrill served in like capacity for twenty-one years with honor to himself and to the Company. Mr. James Washburn Skinner, as clerk, assistant secretary, secretary for twenty-three years, and vice-president, gave to the Company forty-seven years continuous service, dying at his desk on the 18th day of April, 1912. At roll call on the following day, as at roll call on the morning after a battle, the response for the absent one was "Dead on the Field of Honor." Mr. William P. MacLaren served as third and second vice-president and as a member of the Executive Committee for twenty-five years.

The Company has been fortunate in the selection of the heads of its various departments, the actuary department, the medical department, and the legal department. Time forbids that I should particularize, but I cannot forbear tribute to the wonderful ability of its former actuary, Mr. Emory McClintock, who afterwards became connected with the Mutual Life Insurance Company of New York, whose work has been well supplemented by the present actuary, Mr. Loveland.

It has been matter of complaint that the medical department in its exaction with respect to health, has been somewhat severe. This may be complimentary to the department, if

its demands are not carried too far. I am told that one cannot pass that department who is not a full citizen of the United States, or who, being alien born, has left his native land owing military duty to his country—and this because he might be compelled to take part in the harvest of death now being gathered in Europe. The Company will pay a policy upon one who has committed *felo de se*. Is there any greater risk upon the life of one foreign born who has become a full citizen of the United States, whatever duty to his native land he may have neglected? The department would seem, if I may so term it, to make a distinction between voluntary suicide and involuntary suicide, but I cannot see that the risk is any greater in the one case than in the other. The department should not forget the fact that some, if not most of the policyholders of the Company, must die. It appears to me that its action possibly subjects the Company to the spirit of the criticism upon the conservative management of a certain fire insurance company, that it would not insure pig iron unless it was kept under water.

The legal department has had several prominent lawyers at its head. Its first counsel, Mr. David G. Hooker, was in the service of the Company for ten years, and until his death in March, 1888, and was able and efficient. He was succeeded by Judge Charles E. Dyer, who was compelled by starvation on the federal bench to resign that position and to accept the position of counsel for the Company, retaining his place until his death in 1905. He carried to the uses of the Company the great ability he had displayed upon the bench, and was a model officer. His successor was the Hon. George H. Noyes, formerly Judge upon the state bench, and who still retains his office, administering its duties with skill and ability.

The present trustees of the Company are of the class that has always distinguished the history of this corporation. I need not name them. They are all men known, not only in this community, but wherever the Company is known, as able, faithful, honest business men, who seek to administer the affairs of this Company with an eye single to its service and its good.

With such a body of officers, it is not a matter of surprise or of wonderment that no scandal has ever attended the administration of the vast sums of money which have been accumulated and administered by them. And so the world has acquired confidence in the ability and integrity of the officers charged with the administration of the Company's affairs and its business management. The faithful performance of all duties owing to policyholders of the Company, stands unchallenged.

The Company was organized without capital stock. It is purely mutual in its character, all its funds and accumulations, after payment of expenses, going by way of reserve for its liabilities and in dividends to its policyholders to reduce the cost of insurance. I am not advised of the manner by which the preliminary expenses of the organization were paid. Possibly two or three charter members out of their abundance, loaned a few postage stamps for that purpose. It is certain that for many years the Company was in straightened circumstances and unable to meet its liabilities from funds on hand. Its first loss was in November, 1859, upon a policy of $2500.00, insuring the life of Charles Petersilia, who was killed upon an excursion train from Janesville to Fond du Lac, to celebrate the opening of the Chicago & Northwestern Railroad between those cities. The Company was without sufficient available funds to meet the liability, and the necessary amount was raised by discount of a note at sixty days, secured by individual endorsement. The insurance claim was paid November 9, 1859, exactly one week after the death of the insured. One or more similar incidents occurred subsequently, when the trustees put themselves in the breach and personally endorsed the notes of the Company to enable it to promptly meet its engagements.

A statement of the growth of the business of the Company by five-year periods is an object lesson, showing at a glance its marvelous growth and the great benefit it has conferred.

INCREASE IN BUSINESS OF COMPANY BY FIVE-YEAR PERIODS:

Year	Policies in Force	Amount Insured	Assets
1859	137	$ 408,800	$ 9,335
1863	2,285	3,076,150	162,258
1868	27,887	50,039,745	4,755,419
1873	35,226	64,692,003	14,093,579
1878	33,254	61,441,014	17,974,879
1883	43,801	92,083,093	21,115,321
1888	73,130	172,518,891	32,672,811
1893	136,410	325,152,947	64,071,183
1898	196,022	457,712,738	115,446,643
1903	280,443	662,851,194	178,200,625
1908	382,338	944,576,618	248,025,220
1913	505,051	1,304,385,035	310,556,962

Up to the first day of January, 1914, the Company has paid for death losses and endowments $204,387,467.25 in protection of the widow and the orphan from the storm and stress of life. This result is magical. From $9,335.00 of assets in 1859, to $310,556,962 of assets in 1913, a period of fifty-four years; this story is as wonderful as any tale of the Arabian Nights. During this fifty-four years the dividends paid by the Northwestern have been larger than those paid by any other company, and the cost of insurance has been less. The assets of the Company are growing at the rate of over $12,000,000 per annum.

I come now to speak upon a subject with respect to which I have had some hesitation whether it was a consideration quite pertinent to the occasion; but upon reflection I have concluded that as the subject affects personally every policyholder of the Company, and draws in question the good faith and justice of the State of Wisconsin, every policyholder should be possessed of the facts, and every citizen of the State should be informed of the situation, that if injustice has been done, it may be rectified, and the good name of the State protected. I refer to the question of taxation by the State. This Insurance Company, while in a direct sense not a charitable institution, is still a benevolent association, not working for gain in the

sense that they are who are engaged in general trading or business, but for the accumulation of funds to be distributed among the widows and orphans of its policyholders, and so to protect them in the struggle for existence. This fact should enlist the favor and just consideration of the lawmakers of the State. For the first ten years of its existence no license fee was exacted by the State for the privilege of doing business therein. In 1868, an annual license fee was exacted of one per cent of its Wisconsin premium receipts. This averaged about $4,000.00 per annum. In 1879, this license fee or tax was raised to two per cent of the Wisconsin premiums, and I understand this to be the prevailing and average rate and method of taxation of life insurance companies now in vogue in the United States. Under that law the taxes paid by the Company to the State averaged about $12,500.00 per annum, and had that law remained unaltered, the average tax for the past ten years would have amounted to about $50,000.00 per annum, which certainly was a sufficient sum, compared with the taxes required of other life insurance companies in their home states. In 1899, the statesmen to whose hands had been committed the government of Wisconsin, decided that the State had need of greater revenue, and as many interests had been taxed heavily, new available objects for revenue were sought. Life insurance companies were selected to bear this burden, and a new, untried, unheard-of, unscientific and arbitrary method of taxation was devised, namely, one per cent upon the gross income from all sources of domestic companies, and one per cent of Wisconsin premium receipts of foreign companies. A high protective tariff is sought to be justified upon the ground that it encourages and builds up, protects and defends domestic industries. This new system oppresses the domestic company and favors the companies of other states. The taxes of this Company immediately increased from $29,000 in 1898, to $186,386.54 in 1899. In 1901, the State required domestic companies to pay a tax of three per cent of gross income from all sources excepting rents of real estate and premiums collected outside of Wisconsin, and demanded only a nominal fee of $300.00 per annum from foreign companies in lieu of the one per cent premium tax.

Thus the law remains practically to this day, and under it the taxes of the Northwestern Life Insurance Company have gradually increased to over $500,000.00 per annum. Strenuous efforts have been made to procure a modification of this unjust and arbitrary law. The matter was by the Legislature referred to the Tax Commission for investigation, who reported to the Legislature in 1911 with a proposed bill which suggested a comparative just basis of taxation. One of the commissioners, the Hon. George Curtis, Jr., addressing the legislators upon the subject of the report, asserted that it was "a plain question of right and wrong, whether Wisconsin shall continue to exact from life insurance companies and the holders of insurance policies the amount demanded under the present law"; and he pertinently inquired—"Can Wisconsin afford to lower her standard of righteousness in legislation? Will her legislators fail to uphold that standard simply because it will cause the loss of a substantial amount of revenue from a source from which too much has heretofore been exacted?" Notwithstanding the report of the Commission and the argument of Mr. Curtis of that Commission, the Legislature treated the bill and the argument with disdain and voted to indefinitely postpone the proposed bill of the Commission. It is conceded that the present system of taxation of this Company is punitive, unfair, burdensome and unwarranted.

I beg that I may not be misunderstood upon this question. I do not plead for the exemption of this Company from taxation. I entertain quite radical notions upon the subject of taxation. I believe that the burdens of taxation should fall upon all equitably. I am of opinion that every citizen should pay his proportion of the public burden. I am of opinion that every piece of property not owned by the State or a municipal subdivision of the State should be taxed its proper proportion of the amount necessary to operate the government. I cannot undertake to say just what would be a fair method and rate of taxation upon this insurance company. I am not a statesman, and I have not examined the question with the care which would be necessary to fix the precise rate. I am aware that it is difficult, if not impossible, to frame a revenue

law that shall be accurately fair and lay the burden with exact equity. But this I may say, that I have been engaged all my life in the administration of justice among men and have some little knowledge of equity, and I know that the system and the rate of taxation imposed upon this Company by the State of Wisconsin is grossly unfair and unjust. This Company and its policyholders must, however, be patient, but energetic to possess the people of this State with the facts which shall appeal to the conscience and the judgment. The good people of the State do not demand that any citizen of the State shall be treated unjustly. They may err through ignorance, but once their attention is engaged and they are possessed of the facts which show the injustice, they will be quick to remedy the wrong and to call to account those who have willfully inflicted that wrong.

We formally dedicate to-day this beautiful edifice to the uses of this great corporation. Long after every one within the sound of my voice shall have passed into the Great Unknown, this building will stand, a beautiful monument of art; this Company will continue in its good work of protecting the widow and orphan and insuring to them a measure of peace and comfort from the trials and tumults of this restless life. I congratulate the officers of the Company, and all concerned in the construction of this building, or in the management of the Company, upon the splendid work already accomplished, and bid the Company God speed in its onward career of usefulness.

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